

Draft Central Valley Flood Protection Plan Investment Strategy

March 24, 2017

Presented by:

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Today's Discussion

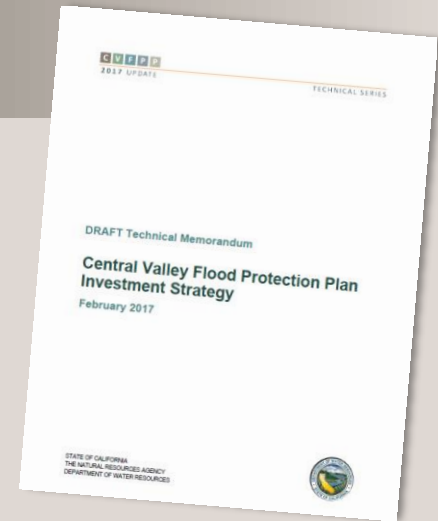
- CVFPP Investment Strategy Technical Memorandum Overview
- Assessment of Potential Funding Scenarios
- Near-Term Actions

CVFPP Investment Strategy Technical Memorandum Overview

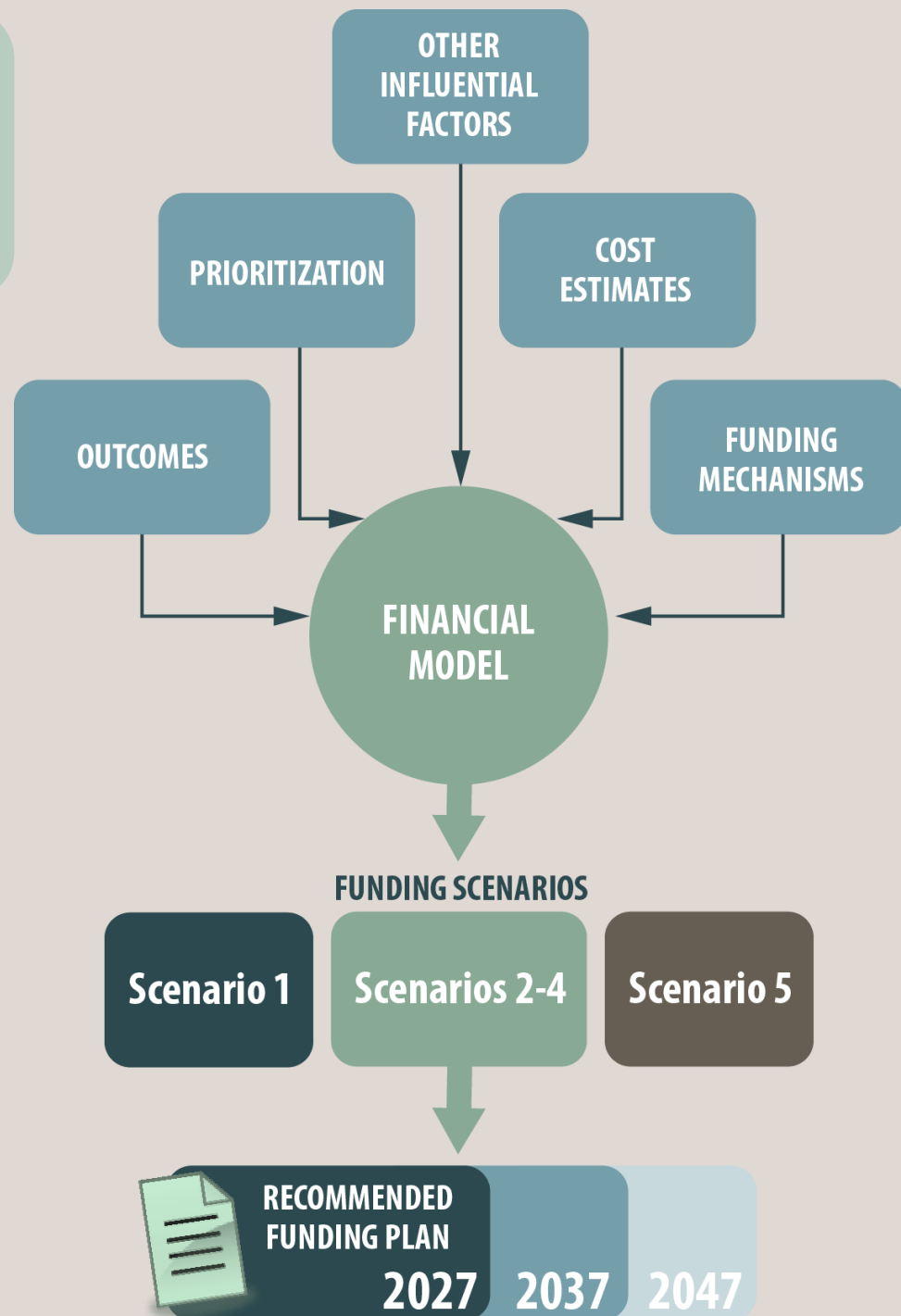


Investment Strategy Overview

- Provides detailed analysis to support CVFPP investment costs, phasing and funding
- Includes recommended funding plan to fund the 2017 refined SSIA portfolio, which totals \$17-\$21 B
- Covers only lands protected by the State Plan of Flood Control
- Considers State, local and federal revenue streams; acknowledges that flood investments must be phased
- Available online:
<http://www.water.ca.gov/cvfmp/2017-cvfpp-docs.cfm>



Development of a Funding Plan



Funding Mechanisms Considered

State General Fund

SAC/SJ Drainage District

New

State River Basin Assessment

New

State Flood Insurance Program

New

General Obligation Bond

STATE

USACE Programs

FEMA Programs

Federal Ecosystem Programs

FEDERAL

Benefit Assessments and Special Taxes

LOCAL

Assessment of Funding Scenarios

Funding Scenarios

- Funding scenarios developed to help answer questions such as:
 - What if current funding levels don't change?
 - What if funding can only be secured for ongoing investments?
 - What if funding for Central Valley flood management decreases?
 - What does the phasing look like if we get all funding?
- Five main scenarios range from decreased investment to a build-up toward funding the full 2017 refined SSIA portfolio
- Several scenarios consist of sub-scenarios to account for potential smaller-scale nuances in funding approach or funding constraints

Funding Scenarios Overview

Scenario 1

Current Level of Investment
(assumes 1 GO Bond per decade)

Increased Investment

Reduced Investment

Scenario 2

Ongoing Investment Only

Scenario 3

Fully Funded Ongoing, Partially Funded Capital

Scenario 4

Funding the Full Refined SSIA

Scenario 5

Worst Case Condition
(no additional GO Bonds)

Funding Scenarios

Scenario	% Funded of Refined SSIA Portfolio	
	Capital	Ongoing
Scenario 1: Current Level of Investment	50%	44%
Scenario 2: Ongoing Investment Only	0%	100%
Scenario 3: Fully Funded Ongoing, Partially Funded Capital	65% - 85%	100%
Scenario 4: Funding the Full Refined SSIA	100%	100%
Scenario 5: Worst Case Condition	10%	44%

Actions Funded under Scenarios 1-3

Scenario 1

- Yolo Bypass, Paradise Cut, 60% of Reservoir and Floodplain Storage, 58% Urban Levees, 26% Rural Levees, 62% Small Community Levees

Scenario 2

- No capital investments funded

Scenario 3

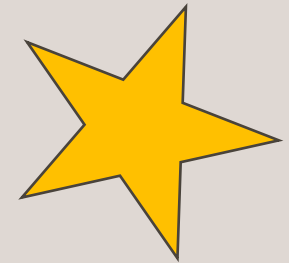
- Yolo Bypass, Paradise Cut, 90% of Reservoir and Floodplain Storage, average 93% Urban Levees, average 79% Rural Levees, average 83% Small Community Levees

All ongoing
investments
fully funded

Actions Funded under Scenarios 4-5

Scenario 4

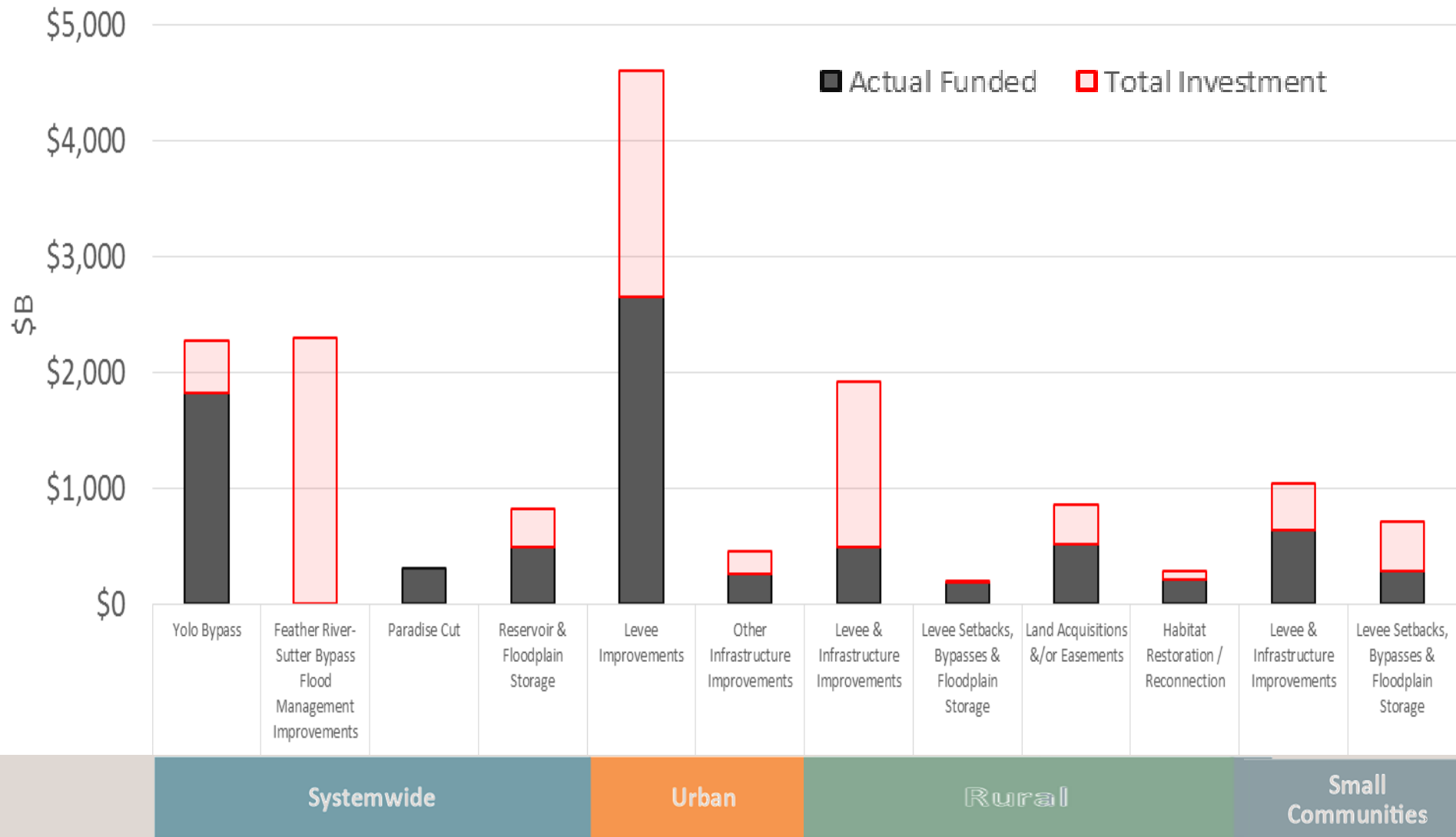
- 100% of all capital investments, varied contributions from funding sources. 100% ongoing investments.
- Recommended Funding Plan is based off of sub-scenario 4d. Informs the 2017 CVFPP Update Chapter 4 and CVFPP Investment Strategy.



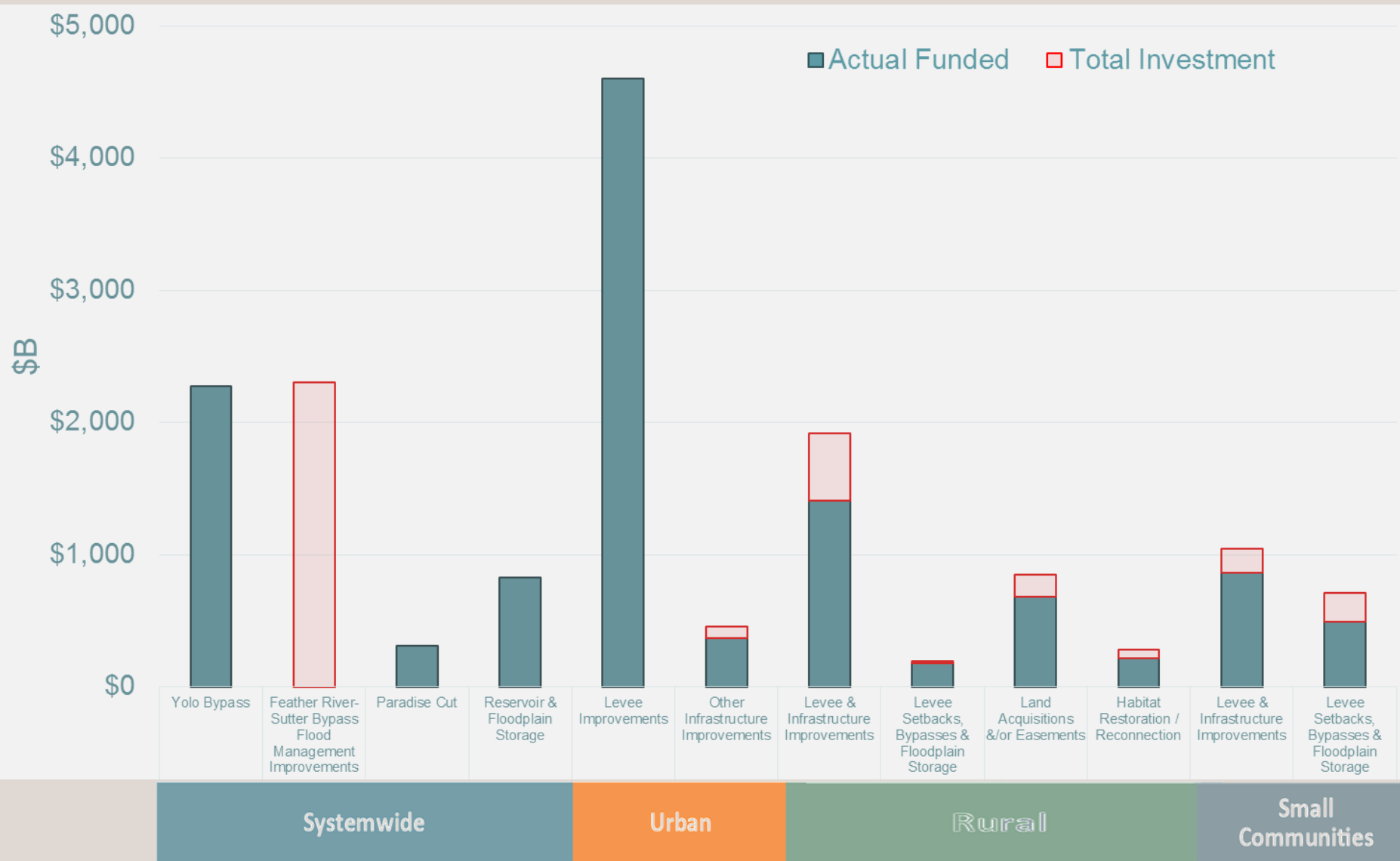
Scenario 5

- 15% of Yolo Bypass, 8% of Paradise Cut, 12% of Reservoir and Floodplain Storage, 13% Urban Levees, 3% Rural Levees, and 7% Small Community Levees, 44% ongoing investments

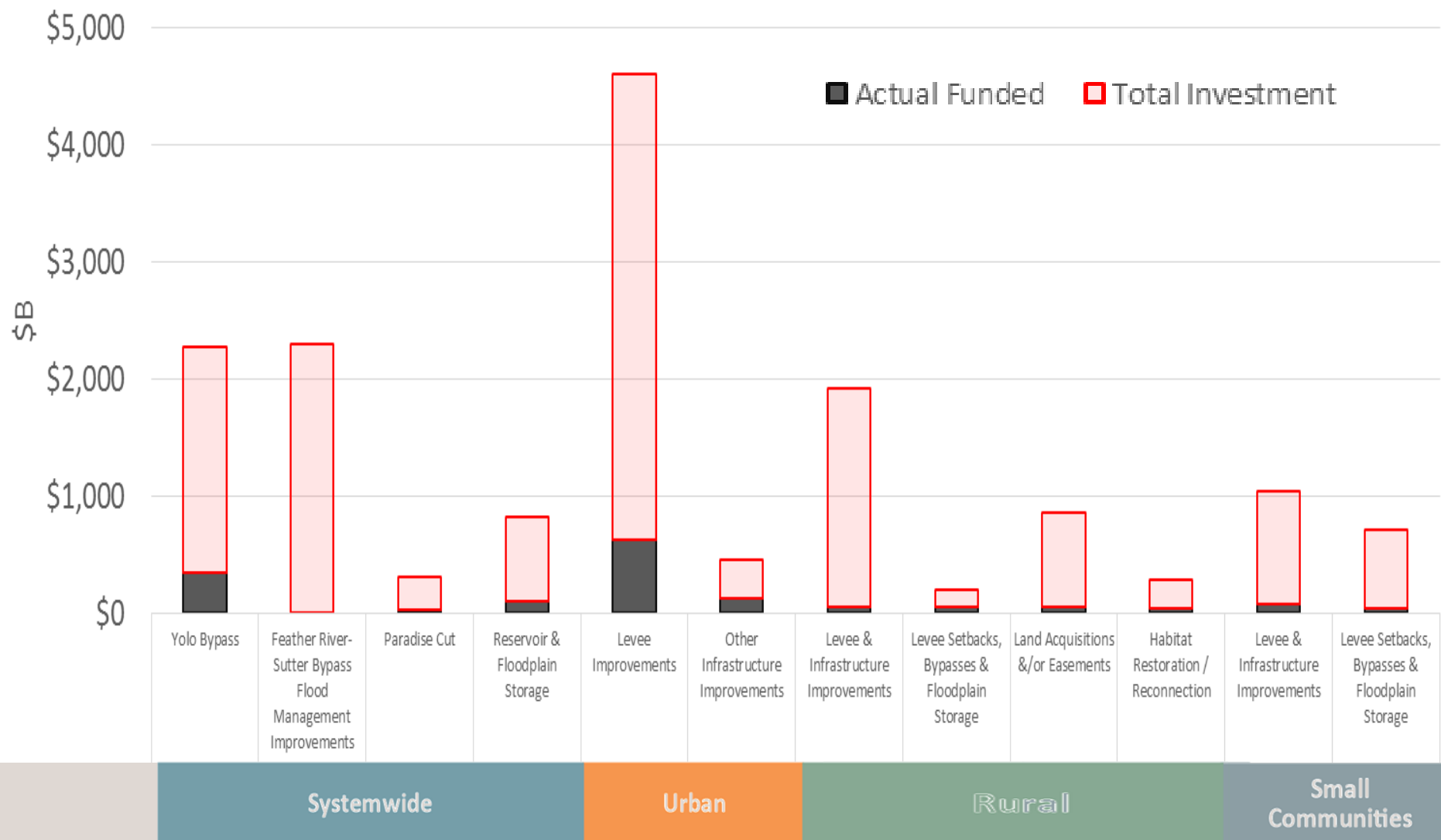
Example Capital Results (Scenario 1)



Example Capital Results (Scenario 3)



Example Capital Results (Scenario 5)



Near-Term Actions

Preliminary Funding Work Plan

Mechanism	Near-Term Actions	Initiation Year
State General Fund	Advocate for increased General Fund dollars by a budget change proposal for fiscal year 2017-2018 with 2017 CVFPP Update as justification	2017
SAC/SJ Drainage District	Establish a committee to evaluate the reutilization and updating of the Sacramento and San Joaquin Drainage District to conduct assessments to increase the State's ability to more reliably fund ongoing activities	2017
	Craft legislation that reutilizes the Sacramento and San Joaquin Drainage District	2018

Preliminary Funding Work Plan

Mechanism	Near-Term Actions	Initiation Year
State River Basin Assessment	Evaluate State river basin assessment as a supplement/complement to the IRWM program	2018
	Establish a committee to evaluate the implementation of a State river basin assessment	2018
	Craft legislation that implements a State river basin assessment	2022
State Flood Insurance Program	Establish a panel to evaluate the feasibility of a State (or regional) flood insurance program	2018
	Craft legislation that implements a State flood insurance program	2021
General Obligation Bond	Demonstrate the need and appropriateness for a new flood-focused GO bond to fund capital improvements that reduce flood risk across the Central Valley	2017
	Pass a new flood-focused GO bond to fund capital improvements that reduce flood risk across the Central Valley	2019

Preliminary Funding Work Plan

Mechanism	Near-Term Actions	Initiation Year
USACE Programs	Advocate for inclusion of the CVFPP in USACE's budgets, and establish a presence in Washington, D.C.	2017
	Establish the CVFPP as one large project within WRDA to secure an increase in reliable funding	2017
FEMA Programs	Partner and engage with FEMA to increase investments in non-structural risk mitigation actions	2017
Federal Ecosystem Programs	Utilize North American Wildlife and Conservation Act (NAWCA) program where appropriate for SSIA projects	2017

Preliminary Funding Work Plan

Mechanism	Near-Term Actions	Initiation Year
Benefit Assessments and Special Taxes	Pursue a coordinated effort to amend Prop. 218	2017
	Increase assessments to provide local cost-share	2018

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